

CITY OF BISMARCK EMPLOYEES PENSION FUND
INVESTMENT PERFORMANCE REPORT AS OF SEPTEMBER 30, 2005

	September-05					August-05				July-05				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Quarter	Month		Market Value	Allocation	Month		Market Value	Allocation	Month		Fiscal YTD	FY05	Ended	Ended
		Actual	Policy	Net ROR	Net ROR				Net ROR					Net ROR	Net ROR	6/30/2005	6/30/2005
LARGE CAP DOMESTIC EQUITY																	
<i>Structured Growth</i>																	
LA Capital	2,197,481	5.3%	5.1%	5.64%	1.53%	2,163,839	5.2%	5.1%	-0.36%	2,135,227	5.2%	5.1%	4.42%	5.64%	8.17%	N/A	N/A
Total Structured Growth	2,197,481	5.3%	5.1%	5.64%	1.53%	2,163,839	5.2%	5.1%	-0.36%	2,135,227	5.2%	5.1%	4.42%	5.64%	8.17%	10.85%	-8.72%
<i>Russell 1000 Growth</i>				4.01%	0.46%				-1.29%				4.89%	4.01%	1.67%	8.07%	-9.95%
<i>Structured Value</i>																	
LSV	2,183,339	5.3%	5.1%	4.82%	1.33%	2,153,707	5.2%	5.1%	-0.39%	2,379,430	5.8%	5.1%	3.86%	4.82%	18.24%	9.94%	11.97%
<i>Russell 1000 Value</i>				3.88%	1.40%				-0.43%				2.89%	3.88%	14.06%	7.59%	3.32%
<i>Enhanced Russell 1000 Index</i>																	
LA Capital	2,949,694	7.1%	6.9%	6.85%	2.20%	2,885,589	7.0%	6.9%	0.45%	2,863,512	6.9%	6.9%	4.07%	6.85%	7.39%	8.60%	N/A
<i>Russell 1000</i>				3.95%	0.93%				-0.87%				3.89%	3.95%	7.92%	7.83%	N/A
<i>Enhanced S&P 500 Index</i>																	
Northern Trust	2,875,844	6.9%	6.9%	3.81%	1.00%	2,845,068	6.9%	6.9%	-1.00%	2,827,229	6.8%	6.9%	3.82%	3.81%	6.02%	7.40%	N/A
Westridge	2,869,302	6.9%	6.9%	3.65%	0.81%	2,845,798	6.9%	6.9%	-0.89%	2,823,611	6.8%	6.9%	3.75%	3.65%	6.66%	7.54%	N/A
Total Enhanced S&P 500 Index	5,745,146	13.8%	13.7%	3.73%	0.90%	5,690,866	13.8%	13.7%	-0.95%	5,650,840	13.7%	13.7%	3.78%	3.73%	6.26%	8.00%	N/A
<i>S&P 500</i>				3.60%	0.81%				-0.91%				3.72%	3.60%	6.32%	7.35%	N/A
<i>S&P 500 Index</i>																	
State Street	1,439,516	3.5%	3.4%	3.61%	0.81%	1,427,945	3.5%	3.4%	-0.90%	1,395,565	3.4%	3.4%	3.72%	3.61%	6.34%	7.37%	-2.85%
<i>S&P 500</i>				3.60%	0.81%				-0.91%				3.72%	3.60%	6.32%	7.35%	-2.88%
TOTAL LARGE CAP DOMESTIC EQUITY	14,515,177	34.9%	34.3%	4.78%	1.32%	14,321,946	34.7%	34.3%	-0.50%	14,424,574	34.9%	34.3%	3.94%	4.78%	8.65%	8.22%	-1.45%
<i>S&P 500</i>				3.60%	0.81%				-0.91%				3.72%	3.60%	6.32%	7.35%	-2.88%
SMALL CAP DOMESTIC EQUITY																	
<i>Manager-of-Managers</i>																	
SEI	4,580,471	11.0%	10.7%	5.48%	0.91%	4,536,429	11.0%	10.7%	-2.46%	4,858,098	11.8%	10.7%	7.17%	5.48%	9.36%	12.29%	N/A
<i>Russell 2000 + 200bp</i>				5.21%	0.48%				-1.69%				6.50%	5.21%	11.64%	12.82%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	4,580,471	11.0%	10.7%	5.48%	0.91%	4,536,429	11.0%	10.7%	-2.46%	4,858,098	11.8%	10.7%	7.17%	5.48%	9.36%	12.29%	4.88%
<i>Russell 2000</i>				4.69%	0.31%				-1.85%				6.34%	4.69%	9.45%	11.15%	4.77%
INTERNATIONAL EQUITY																	
<i>Large Cap - Core</i>																	
State Street	136,195	0.3%	0.3%	10.65%	4.75%	128,506	0.3%	0.3%	2.51%	127,156	0.3%	0.3%	3.04%	10.65%	7.68%	8.28%	-1.66%
<i>MSCI EAFE (1)</i>				10.38%	4.45%				2.53%				3.07%	10.38%	9.59%	7.55%	-2.71%
<i>Large Cap - Active</i>																	
Capital Guardian	407,620	1.0%	0.9%	11.82%	4.98%	383,669	0.9%	0.9%	2.93%	378,661	0.9%	0.9%	3.48%	11.82%	11.23%	7.54%	-2.92%
LSV	405,624	1.0%	0.9%	11.55%	6.03%	381,668	0.9%	0.9%	1.73%	374,678	0.9%	0.9%	3.43%	11.55%	N/A	N/A	N/A
Bank of Ireland	131,150	0.3%	0.3%	6.99%	2.65%	126,228	0.3%	0.3%	0.93%	124,656	0.3%	0.3%	3.26%	6.99%	12.20%	N/A	N/A
Total Large Cap - Active	944,394	2.3%	2.1%	11.02%	5.10%	891,565	2.2%	2.1%	2.13%	877,995	2.1%	2.1%	3.43%	11.02%	13.74%	7.27%	-2.84%
<i>MSCI EAFE - 50% Hedged</i>				11.07%	5.36%				1.95%				3.40%	11.07%	14.41%	7.78%	-2.59%
<i>Small Cap - Active</i>																	
Lazard	134,246	0.3%	0.3%	9.65%	2.52%	129,355	0.3%	0.3%	2.73%	128,623	0.3%	0.3%	4.11%	9.65%	19.82%	N/A	N/A
Wellington	131,822	0.3%	0.3%	8.08%	2.86%	137,712	0.3%	0.3%	1.48%	126,938	0.3%	0.3%	3.56%	8.08%	12.00%	N/A	N/A
Total Small Cap - Active	266,068	0.6%	0.6%	8.88%	2.69%	267,068	0.6%	0.6%	2.11%	255,561	0.6%	0.6%	3.83%	8.88%	15.90%	N/A	N/A
<i>Citigroup Broad Market Index < \$2BN</i>				12.05%	4.70%				3.00%				3.90%	12.05%	21.33%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	1,346,657	3.2%	3.0%	10.56%	4.58%	1,287,138	3.1%	3.0%	2.18%	1,260,713	3.1%	3.0%	3.47%	10.56%	13.12%	9.44%	-0.97%
<i>MSCI EAFE - 50% Hedged</i>				11.07%	5.36%				1.95%				3.40%	11.07%	14.41%	7.78%	-2.59%
EMERGING MARKETS EQUITY																	
Capital Guardian	534,210	1.3%	1.1%	16.25%	8.57%	491,682	1.2%	1.1%	0.09%	491,623	1.2%	1.1%	6.98%	16.25%	33.94%	16.80%	1.21%
UBS	185,941	0.4%	0.4%	N/A	9.14%	170,265	0.4%	0.4%	2.11%	167,859	0.4%	0.4%	N/A	N/A	N/A	N/A	N/A
TOTAL EMERGING MARKETS EQUITY	720,152	1.7%	1.5%	17.05%	8.72%	661,947	1.6%	1.5%	0.60%	659,482	1.6%	1.5%	7.02%	17.05%	33.94%	16.80%	1.21%
<i>MSCI Emerging Markets Free</i>				18.11%	9.32%				0.90%				7.08%	18.11%	34.89%	19.03%	4.82%
DOMESTIC FIXED INCOME																	
<i>Core Bond</i>																	
Western Asset	1,580,068	3.8%	4.0%	-0.48%	-1.01%	1,615,580	3.9%	3.9%	1.15%	1,720,985	4.2%	4.9%	-0.62%	-0.48%	7.25%	4.82%	7.29%
<i>Lehman Aggregate</i>				-0.67%	-1.03%				1.28%				-0.91%	-0.67%	6.80%	3.23%	5.85%
<i>Index</i>																	
Bank of ND	3,248,692	7.8%	8.8%	-0.93%	-1.34%	3,205,882	7.8%	8.7%	1.68%	3,074,881	7.4%	8.7%	-1.23%	-0.93%	7.23%	3.35%	6.08%
Bank of ND Match Loan CD Program	508,143	1.2%	1.2%	1.28%	0.43%	529,247	1.3%	1.3%	0.43%	529,423	1.3%	1.3%	0.42%	1.28%	5.08%	4.05%	4.76%
Total Index	3,756,835	9.0%	10.0%	-0.43%	-0.96%	3,735,129	9.1%	10.0%	1.37%	3,604,304	8.7%	10.0%	-0.82%	-0.43%	6.91%	3.40%	5.89%
<i>Lehman Gov/Credit</i>				-0.96%	-1.31%				1.49%				-1.13%	-0.96%	7.26%	3.62%	6.00%
<i>Convertibles</i>																	
TCW	1,599,139	3.8%	3.9%	2.95%	0.86%	1,604,386	3.9%	3.9%	-0.80%	1,369,871	3.3%	3.4%	2.89%	2.95%	-0.23%	9.87%	-2.01%
<i>Merrill Lynch All Convertibles</i>				4.15%	0.99%				-0.07%				3.19%	4.15%	0.66%	11.20%	1.19%

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		Actual	Policy	Net ROR	Net ROR									Net ROR	Net ROR	6/30/2005	6/30/2005
																Net	Net
BBB Average Quality																	
Wells Capital (formerly Strong)	1,558,632	3.8%	4.0%	-0.82%	-1.79%	1,694,256	4.1%	3.9%	1.50%	1,972,649	4.8%	4.9%	-0.50%	-0.82%	12.04%	4.88%	6.19%
Lehman BBB				-0.97%	-1.69%				1.48%				-0.74%	-0.97%	8.60%	5.86%	5.89%
Private Debt																	
Prudential	1,547,831	3.7%	3.7%	-0.27%	-0.85%	1,581,727	3.8%	3.8%	1.58%	154,860	0.4%	0.4%	-0.98%	-0.27%	N/A	N/A	N/A
Lehman Aggregate					-1.03%				1.28%				-0.91%	-0.67%	N/A	N/A	N/A
Timberland																	
RMK	1,691,648	4.1%	4.1%	-0.24%	-0.08%	1,712,582	4.2%	4.2%	-0.08%	1,937,982	4.7%	4.7%	-0.08%	-0.24%	14.50%	7.42%	N/A
TIR	4,252,495	10.2%	10.2%	-0.09%	-0.03%	4,305,118	10.4%	10.4%	-0.03%	4,871,745	11.8%	11.8%	-0.03%	-0.09%	N/A	N/A	N/A
Total Timberland	5,944,143	14.3%	14.3%	-0.13%	-0.04%	6,017,700	14.6%	14.6%	-0.04%	6,809,727	16.5%	16.5%	-0.04%	-0.13%	44.29%	7.46%	N/A
NCREIF Timberland Index					0.32%				0.32%				0.32%	0.95%	14.07%	3.03%	N/A
TOTAL DOMESTIC FIXED INCOME	15,986,648	38.5%	40.0%	-0.09%	-0.54%	16,248,777	39.4%	40.0%	0.58%	15,632,396	37.9%	40.0%	-0.13%	-0.09%	19.23%	5.43%	5.13%
Lehman Aggregate				-0.67%	-1.03%				1.28%				-0.91%	-0.67%	6.80%	3.23%	5.85%
HIGH YIELD BONDS																	
Loomis Sayles	730,191	1.8%	1.8%	1.24%	-0.60%	734,260	1.8%	1.8%	0.34%	737,062	1.8%	1.8%	1.49%	1.24%	15.96%	N/A	N/A
Lehman High Yield Cash Pay Index				0.99%	-0.89%				0.31%				1.58%	0.99%	10.83%	N/A	N/A
Sutter/Wells Capital	719,462	1.7%	1.8%	0.31%	-1.82%	732,502	1.8%	1.8%	0.33%	725,811	1.8%	1.8%	1.82%	0.31%	9.62%	N/A	N/A
Merrill Lynch High Yield Master II Index				0.99%	-0.89%				0.31%				1.58%	0.99%	10.63%	N/A	N/A
TOTAL HIGH YIELD BONDS	1,449,653	3.5%	3.5%	0.77%	-1.20%	1,466,762	3.6%	3.5%	0.34%	1,462,874	3.5%	3.5%	1.66%	0.77%	12.76%	9.21%	3.17%
Lehman High Yield Bond Index				0.99%	-0.89%				0.31%				1.58%	0.99%	10.86%	11.00%	5.48%
INTERNATIONAL FIXED INCOME																	
International Sovereign																	
UBS Global (Brinson)	377,538	0.9%	1.0%	-1.08%	-1.99%	385,096	0.9%	1.0%	1.61%	365,261	0.9%	1.0%	-0.66%	-1.08%	7.92%	8.04%	6.37%
Citigroup Non-US Gov't Bond Index (2)				-1.24%	-2.07%				1.85%				-0.98%	-1.24%	7.75%	7.80%	6.06%
International Core																	
Brandywine	383,667	0.9%	1.0%	0.80%	-0.06%	383,754	0.9%	1.0%	1.46%	392,230	0.9%	1.0%	-0.60%	0.80%	11.78%	N/A	N/A
Lehman Global Aggregate (ex-US)				-0.86%	-1.97%				1.88%				-0.73%	-0.86%	8.10%	N/A	N/A
TOTAL INTERNATIONAL FIXED INCOME	761,205	1.8%	2.0%	-0.15%	-1.03%	768,850	1.9%	2.0%	1.53%	757,491	1.8%	2.0%	-0.63%	-0.15%	9.84%	8.57%	6.68%
Citigroup Non-US Gov't Bond Index (2)				-1.24%	-2.07%				1.85%				-0.98%	-1.24%	7.75%	7.80%	6.06%
REAL ESTATE																	
INVECO	644,857	1.6%	1.5%	7.19%	8.52%	594,233	1.4%	1.5%	-1.39%	602,625	1.5%	1.5%	0.17%	7.19%	N/A	N/A	N/A
J.P. Morgan	638,969	1.5%	1.5%	6.33%	3.52%	617,266	1.5%	1.5%	1.71%	606,863	1.5%	1.5%	0.99%	6.33%	19.52%	8.40%	7.89%
TOTAL REAL ESTATE	1,283,826	3.1%	3.0%	6.76%	5.97%	1,211,500	2.9%	3.0%	0.17%	1,209,488	2.9%	3.0%	0.58%	6.76%	19.52%	8.40%	7.89%
NCREIF TOTAL INDEX				4.44%	1.46%				1.46%				1.46%	4.44%	18.02%	7.60%	8.14%
ALTERNATIVE INVESTMENTS																	
Coral Partners V	25,142			0.01%	0.00%	26,592			0.01%	27,398			0.00%	0.01%	-18.97%	-18.86%	-19.31%
Coral Partners V - Supplemental	3,072			-7.36%	0.00%	3,250			0.00%	3,348			-7.36%	-7.36%	-6.85%	-4.69%	N/A
Coral Partners VI	24,640			-1.55%	0.00%	25,146			0.00%	25,910			-1.55%	-1.55%	-1.17%	N/A	N/A
Brinson 1998 Partnership Fund	7,633			3.17%	3.17%	7,811			0.00%	9,048			0.00%	3.17%	19.64%	-1.27%	-4.69%
Brinson 1999 Partnership Fund	14,894			2.44%	2.44%	14,604			0.00%	15,048			0.00%	2.44%	9.31%	-0.57%	-5.94%
Brinson 2000 Partnership Fund	30,388			6.45%	6.45%	30,193			0.00%	31,111			0.00%	6.45%	14.97%	0.60%	-2.31%
Brinson 2001 Partnership Fund	17,963			3.91%	3.91%	18,284			0.00%	18,840			0.00%	3.91%	4.00%	1.38%	N/A
Brinson 2002 Partnership Fund	11,227			3.47%	5.20%	11,287			-1.64%	10,454			0.00%	3.47%	-4.22%	8.90%	N/A
Brinson 2003 Partnership Fund	2,234			7.59%	7.59%	2,196			0.00%	2,263			0.00%	7.59%	1.71%	N/A	N/A
Brinson 1999 Non-US Partnership Fund	6,761			-5.55%	-5.55%	8,376			0.00%	8,631			0.00%	-5.55%	32.09%	8.96%	4.08%
Brinson 2000 Non-US Partnership Fund	9,336			-0.69%	-0.69%	9,944			0.00%	10,246			0.00%	-0.69%	15.57%	7.86%	1.75%
Brinson 2001 Non-US Partnership Fund	10,238			9.11%	9.11%	9,995			0.00%	8,550			0.00%	9.11%	9.19%	8.22%	N/A
Brinson 2002 Non-US Partnership Fund	12,138			-0.04%	-0.04%	12,843			0.00%	16,068			0.00%	-0.04%	12.60%	7.71%	N/A
Brinson 2003 Non-US Partnership Fund	6,735			0.61%	0.61%	5,583			0.00%	5,753			0.00%	0.61%	2.52%	N/A	N/A
Brinson 2004 Non-US Partnership Fund	1,761			4.09%	4.09%	1,789			0.00%	1,843			0.00%	4.09%	0.42%	N/A	N/A
Brinson BVCF IV	40,777			10.29%	0.00%	43,129			10.29%	46,385			0.00%	10.29%	6.06%	4.49%	-6.48%
Matlin Patterson Global Opportunities	43,089			-8.79%	0.00%	45,574			-8.79%	51,487			0.00%	-8.79%	102.75%	N/A	N/A
Matlin Patterson Global Opportunities II	36,845			0.00%	0.00%	30,139			0.00%	24,884			0.00%	0.00%	N/A	N/A	N/A
InvestAmerica	11,709			0.00%	0.00%	7,748			0.00%	7,983			0.00%	0.00%	-18.88%	-6.88%	N/A
Hearthstone MSII	1,850			0.00%	0.00%	0			0.00%	0			0.00%	0.00%	1214.92%	18.39%	13.51%
Hearthstone MSIII	33,669			4.53%	0.00%	45,762			0.00%	47,154			4.53%	4.53%	16.51%	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS (3)	352,099	0.8%	1.0%	1.64%	1.25%	360,244	0.9%	1.0%	0.02%	372,406	0.9%	1.0%	0.37%	1.64%	17.54%	3.01%	-3.42%
CASH EQUIVALENTS																	
Northern Trust STIF/STEP	553,273	1.3%	1.0%	0.89%	0.30%	362,161	0.9%	1.0%	0.29%	653,476	1.6%	1.0%	0.30%	0.89%	2.19%	1.39%	2.46%
90 Day T-Bill				0.83%	0.30%				0.29%				0.24%	0.83%	2.15%	1.11%	2.35%
TOTAL FUND	41,549,160	100.0%	100.0%	3.06%	0.75%	41,225,754	100.0%	100.0%	-0.11%	41,290,998	100.0%	100.0%	2.40%	3.06%	13.81%	11.53%	4.95%
POLICY TARGET BENCHMARK				2.18%	0.16%				0.15%				1.86%	2.18%	8.15%	8.59%	3.87%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) This benchmark was changed to the MSCI EAFE (unhedged) as of December 1, 2004.

(2) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.

(3) Because of the variation in fee calculations in Alternative Investments, only net returns will be shown until June of each year when actual costs are known.